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SIPDIS

STATE FOR NEA/ARN AND EB/CIP
USDOC FOR 6430/ITA/ITI/OITEC/DKRIZ

E.O. 12958; N/A
TAGS: BEXP ETRD JO ECIP
SUBJECT: Jordan: Reply to Questionnaire

REF: USDOC 06506

(Source: Jordan Computer Society)
(Source: Information Technology Association - Jordan; INTAJ)
(Source: Jordan Institute of Standards and Metrology; JISM)

¶1.   (u) Below is information on duties/taxes and customs
procedures for information technology products and electronic
commerce transactions for Jordan. Answers are keyed to questions
reftel. Follow-up questions should be directed to Ian Campbell,
Econ Section (CAMPBELLIP2(at)state.gov). Information source is
indicated at the end of each answer.

¶2.   (u) QUESTIONS ON SOFTWARE/RELATED SERVICES IMPORTS:

¶A.   Are Duties and taxes assessed on the Intellectual Property of
the software or on the medium on which it is presented? Is
customized software treated differently than packed software?

All software products are subject to 13% sales tax. Intellectual
property is considered a service and is subject to 13% sales tax.
(Source: Jordan Computer Society)

¶B.   What are the customs duties and tax implications for software
sold with updates where the full sales prices, including cost of
updates, is shown on the original commercial invoice? Are
duties/taxes paid on that amount? What happens when the updates
are sent at a later date? Are duties/taxes applied again? If so,
based on what value? How should information be presented on the
commercial invoice for the original and subsequent shipments to
avoid paying duties/taxes more than once on a single sale?

Sales tax of 13% is applied on the sales invoice. The best way to
answer the sub-questions is to see everything paid as sales tax
upon importing a product.
(Source: Jordan Computer Society)

¶C.   Are software licenses classified in harmonized system 4907?
Are import duties/taxes applied? If yes, on what cost/price base
are they levied? Are withholding or other additional taxes applied
on software licenses? If yes, how are the taxes applied?

Software is subject to 13% sales tax, and a fixed value inspection
fee only. Software licenses are not subject to customs.
(Source: Jordan Computer Society)

¶D.   If a U.S. License Agreement is included in the packaging or
is part of the installation/registration of shrink-wrapped
software imported from the U.S., would the agreement be binding on
consumers in your market? If so, would U.S. or local laws pertain?
Definition of shrink-wrapped software: shrink-wrapped software is
software that is packaged with a terms and conditions statement,
ready for installation by the purchaser.

As Jordan is enforcing its TRIPS-consistent Intellectual property
Law, license agreements are binding to Jordanian customers.
However, software censorship is still in effect in Jordan, and
some software (FPP, and Shrink wrap) is opened and checked by the
Censorship office of the Ministry of Information.
(Source: Jordan Computer Society)

¶E.   Are services (i.e. training, set-up, etc.) relating to the
sale of software taxed? If so, at what rate and based on what
value? (1) Are US information technology solution providers
permitted to send personnel into the country to set up
hardware/software related systems? (2) Are special visas/work
permits and/or professional certification by an accredited body
required?

Services are subject to 13% sales tax. The value is based on the
amount billed to the customer. 1) Yes 2) Invitation letter may be
needed to obtain a visa. Certain limitations may apply on certain
nationalities (regardless of the company they work with)
(Source: Jordan Computer Society)

¶F.   Are import taxes (VAT, etc) applied to software delivered to
the end-user over the Internet? If so, are the taxes assessed on
the intellectual value of the property? Would the situation be
different if the is software were instead delivered to a
distributor who has a license to produce (Replicate) and sell the
software?

All software and services are subject to sales tax regardless of

the source (distributor, download, etc). However, the GOJ does not have an efficient system to monitor and tax downloaded software whether or not intended for re-sale.
(Source: Jordan Computer Society)

¶G.   Is post aware of any laws or efforts to regulate voice over Internet protocol (VOIP) services in your country? Please name the specific Law, Government Agencies with jurisdiction, and contact information.

VoIP is regulated and is not currently available in Jordan. Jordan Telecom has exclusivity rights over all international calls, regardless of technology, until the end of 2004. The regulatory body is:
Telecommunications Regulatory Commission
www.trc.jo
Tel. +962(6) 586-2027
Fax. +962(6) 586-3643
Ms. Muna Nijem - Chair of the Board of Commissioners
Mr. Mahmoud Wreikat - Technical & Licensing Affairs
Ms. Hoda Izz-Iddin - Head Of The Legal Department
(Source: Jordan Computer Society)
(Source: Information Technology Association - Jordan; INTAJ)
¶3.   (u) QUESTIONS ON CUSTOMS PROCEDURES RELATED TO IT PRODUCTS:

¶A.   What are the documentation requirements for the physical import of software? For other information technology products?

The Required Documentations are: Invoice, Certificate of Origin, and Customs Declaration.
(Source: Jordan Computer Society)

Jordan Institute of Standards and Metrology (JISM) does not have any standards specific to IT hardware and software products. JISM has a Labeling Standard applicable to all imports, including all IT products.
(Source: Jordan Institute of Standards and Metrology; JISM)

¶B.   What are the documentation requirements for the electronically delivered import of digitized products over the Internet or other networks i.e. software, movies downloads)?

Not Applicable.
(Source: Jordan Computer Society)

¶C.   Is the import of refurbished computer hardware, parts, and accessories (including toner cartridges) permitted? If yes, what are the documentation requirements? Is special labeling required? What value should be should be shown of the invoice? How are duties and taxes assessed?
¶D. Is the import of used computer hardware, parts, and accessories permitted? If yes, what are the documentation requirements? Is special labeling required? What value should be shown on the invoice? How are duties and taxed assessed?

Yes it's permitted to import refurbished and used computers if import license is available.
(Source: Jordan Computer Society)

The Ministry of Industry and Trade has the following relevant requirements for importation of used and refurbished electrical equipment:
¶1. To comply with approved Jordanian and International standards
¶2. To be ready for immediate use without any further modification and to be compatible with Jordan's 220 volts electric grid without the use of transformers.
¶3. Imported shipments should include new spare parts at a value of 15% of the total shipment.
¶4. A certificate either by the manufacturer or the authorized dealer at the country of export to accompany the shipment that stats that the equipment is not more than three years old; to be legalized by the exporting country's chamber of industry or trade, the Jordanian Embassy or Consulate and the exporting country's Ministry of Foreign Affairs.
¶5. 1 piece per kind of equipment accompanying passengers for personal use are exempt from these requirements.
(Source: Jordan Ministry of Industry and Trade)

¶E.   Are duties and taxes assessed on the re-import of repaired computer equipment? How should the commercial invoice appear?

Taxes will be paid on the Added Value.
(Source: Jordan Computer Society)

¶F.   Some companies allege that certain countries (such as Greece, and South Korea, among others) require that cross-border, electronically delivered software be accompanied by a physical shipment. Is this true for your country? If so, by what government agency (please give contact information), and how is this activity enforced (please specify the name of the appropriate law or regulation)?

This is not applicable in Jordan.
(Source: Jordan Computer Society)